ASSEMBLY BILL No. 853

Introduced by Assembly Member Roger Hernández

February 26, 2015

An act to amend Section 1002.3 of the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 853, as introduced, Roger Hernández. Electrical transmission: certificates of public convenience and necessity.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined. The Public Utilities Act prohibits any electrical corporation from beginning the construction of, among other things, a line, plant, or system, or of any extension thereof, without having first obtained from the commission a certificate that the present or future public convenience and necessity require or will require that construction (certificate of public convenience and necessity). Existing law requires the commission, in considering an application for a certificate of public convenience and necessity for an electric transmission facility, to consider cost-effective alternatives to transmission facilities that meet the need for an efficient, reliable, and affordable supply of electricity, including demand-side alternatives such as targeted energy efficiency, ultraclean distributed generation, as defined, and other demand reduction resources.

This bill would include demand response as being amongst the demand-side alternatives that the commission is to consider.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 1002.3 of the Public Utilities Code is amended to read:

1002.3. In considering an application for a certificate for an electric transmission facility pursuant to Section 1001, the commission shall consider cost-effective alternatives to transmission facilities that meet the need for an efficient, reliable, and affordable supply of electricity, including, but not limited to, demand-side alternatives such as targeted energy efficiency, *demand response,* ultraclean distributed generation, as defined in Section 353.2, and other demand reduction resources.

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